



HEBER CREEPER

P.O. BOX 69, HEBER CITY, UTAH 84032

PHONE: (801) 654-2621

February 11, 1977

HEBER CREEPER, INC.
MINUTES BOARD OF DIRECTORS MEETING
February 10, 1977

PRESENT: Lowe Ashton
Wesley R. Budd
Jim Ritchie
Craig Drury

J. D. Boggess
Dr. R. Raymond Green
Gordon Mendenhall

ALSO PRESENT: Jim Berry, Cindy Drury

Cindy Drury read the minutes of the previous meeting held January 10, 1977. Gordon Mendenhall moved that we accept the minutes as read, J.D. Boggess seconded. Motion Carried.

A discussion of the conditions for receiving the S.B.A. loan, i.e., Track restoration, forgiveness of lease payments and acquiring Foundation locomotives as security.

Gordon Mendenhall made a motion that we table the S.B.A. loan for one week until the Board has a chance to study the operating statement and accounts payable statement. R.R. Green seconded. Motion carried.

Position of Grants: Wasatch County, through the efforts of WCICG and Monte Bona acquired \$75,000 and they are still hoping for the million from EDA. Mr. Bona expects EDA's response before the end of February.

Advertising and Promotion Budget Analysis: Jim Berry explained to the Board his reasons for the overages that occurred during the 1977 season.

1. Salaries: Original budget was at \$500.00 per month plus commissions, (10%-15%). Hired Utah Travel Services. They did a considerable amount of mailing throughout the State, but were not familiar enough with our operation to be effective. Replaced by Ann Mitchell, with increase in wage. More actively sought group contacts. Mr. Berry felt that the amount of money paid Mrs. Mitchell was justified considering the amount of group business she brought to the Creeper. Total amount spent: \$6,524.28

2. Money spent by others, i.e., Lowe, Anne \$809.90
3. Items he was not aware of: \$325.00
4. Money spent by Mrs. Porter, Sales letters etc. \$1381.28

Total \$ 9040.46
10% Contingency 2500.00
\$11540.40

Mr. Berry commented on the increased advertising necessary after we suffered breakdowns in July, and additional advertising of Night Train and Family Night Train, due to changes in Fares. Additional radio advertising was placed for the September weekend runs. He then suggested that we consider the business he generated from Wheeler Machinery, and the trips he made to Omaha and Boise looking for Diesel locomotives, and the discount that was made available on the generator.

Gordon Mendenhall made a motion that we table the matter until next Thursday and upon our successful S.B.A. and Zions refinancing the Creeper should pay legitimate debts. Motion was withdrawn.

Jim Ritchie made a motion that we table the problem until next Thursday. J.D. Boggess seconded. Motion carried.

Gordon Mendenhall made a motion that due to the lack of response from the Foundation, that Lowe Ashton write a letter giving them another chance to respond, and if they do not, place a lein on the engines and forclose. Jim Ritchie seconded. Motion carried.

Hover suit against Heber Creeper and Austin, Wheeler, and Nielson: Mr. Hover is suing for \$2.2 million. Gordon Mendenhall, our insurance agent, commented on the actions made by Mr. Wheeler at the time of the accident. He insisted on a blood test at the scene of the accident, and knowing of Mr. Hovers broken neck he had suffered in another accident, administered first aid until the ambulance arrived. However, the suit will probably be setteled out of court.

Date of the annual Stockholders Meeting was set for April 2, 1977. Wes Budd seconded. Motion carried.

Gordon Mendenhall made a motion that Lowe contact Mr. Hatch to find out if he is willing to assist Craig next summer with the train operation, and that Monte Bona be approached to be our part-time Advertising and Promotional Director. J.D. Boggess seconded. Motion carried.

J.D. Boggess made a motion that we sever the relations with the Hub Cafe. W.R. Budd seconded. Motion carried.

Gordon Mendenhall made the motion that the meeting be adjourned. J.D. Boggess seconded. Motion carried.

Cindy Drury